



**RESOLUTION IN SUPPORT OF 1% LOCAL
OPTION SALES TAX EXCLUSIVELY FOR
EDUCATION CAPITAL NEEDS IN PITT
COUNTY**

WHEREAS, the quality of educational facilities within Pitt County is vital to create strong learning environments that will have a direct bearing on the present and future educational achievements of our students; and

WHEREAS, the quality of facilities as well, as school curriculum, is a primary factor in economic development recruitment efforts; and

WHEREAS, the continued economic future of Pitt County is predicated on strong public school and community college systems; and

WHEREAS, the Pitt County School System currently has greater than 21,500 students and is experiencing a trend of significant growth in student enrollment with the last 5 years growth rate being greater than 1,500 students and with this level of growth projected to continue; and

WHEREAS, the Pitt Community College system has greater than 15,000 students between degree seeking and continuing education programs and is also experiencing a trend of significant annual growth in student enrollment with last year's growth rate being 5% and this growth is projected to continue; and

WHEREAS, because the Pitt County School System cannot adequately accommodate the current student population, space shortages require the use of over 140 mobile classrooms and a portion of the FY 04-05 teaching positions were not allocated due to the lack of classroom space; and

WHEREAS, Pitt Community College ranks last (58 out of 58) as compared to other community college campuses when calculating square footage per student. This is indicative of a severe space shortage at the community college; and

WHEREAS, both present and future student population growth has exceeded each institution's ability to provide for adequate classroom space; and

WHEREAS, Pitt County Schools has identified \$217 million in capital needs over the next twelve to fifteen years; and

WHEREAS, Pitt Community College had identified \$80 million in capital needs over the next ten to fifteen years; and

WHEREAS, if both the \$217 million and \$80 million in capital needs (\$297 million) were implemented all at once, this would result in a twenty-five to twenty-seven

cent (25-27) ad valorem tax increase for debt service in Pitt County. This being equivalent to a 38% tax increase; and

WHEREAS, in addition to debt service considerations, Pitt County will also be responsible for the “new operating costs” associated with the proposed capital construction (i.e. utilities, insurance & janitorial service); and

WHEREAS, based upon current data, a 1% sales tax in Pitt County would yield an estimated \$16 million per year and would be dedicated exclusively for debt retirement on capital projects for Pitt County Schools and Pitt Community College; and

WHEREAS, relying solely on the ad valorem property tax base to leverage funding for debt service does not create “tax payer equity,” but with a sales tax all citizens will contribute to this revenue stream, not just property owners; and

WHEREAS, most counties in North Carolina have a 50-50 split in their tax base between residential and commercial/industrial value; and

WHEREAS, Pitt County has a 70-30 split in its tax base, in which residential properties carry a disproportionate share of the ad valorem tax burden compared to other counties; and

WHEREAS, the three largest employers in Pitt County do not pay ad valorem property taxes; and

WHEREAS, Pitt County has been designated a “Low Wealth” county by the State of North Carolina; and

WHEREAS, in order to adequately address both the immediate and future facility needs of both PreK-12 and community college students, it is necessary that a new dedicated revenue stream be created.

NOW, THEREFORE, BE IT RESOLVED that the **Greenville-Pitt County Chamber of Commerce** does hereby express its support to the Pitt County Legislative Delegation and North Carolina General Assembly to allow Pitt County the ability to implement a 1% local option sales tax to be dedicated exclusively for education related capital needs.

Approved by the Board of Directors this 24th day of February, 2005.



Mark A. Phillips, Chairman
2005 Board of Directors



Susanne D. Sartelle, CCE
President